

CHAPTER 523
TRUCK OPERATORS AND CONTRACT CARRIERS

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CHAPTER 524
FOR-HIRE INTRASTATE MOTOR CARRIER AUTHORITY

761—524.1(325A) Purpose and applicability.

524.1(1) This chapter establishes requirements concerning for-hire intrastate motor carriers.

524.1(2) This chapter applies to motor carriers of household goods, bulk liquid commodities, all other property, and passengers.

761—524.2(325A) General information.

524.2(1) Information and location. Applications, forms and information on motor carrier permits and motor carrier certificates are available by mail from the Office of Motor Carrier Services, Department of Transportation, P.O. Box 10382, Des Moines, Iowa 50306-0382; in person at its location in Park Fair Mall, 100 Euclid Avenue, Des Moines, Iowa; by telephone at (515)237-3224; or by fax at (515)237-3354.

524.2(2) Waiver of rules. In accordance with 761—Chapter 11, the director of transportation may, in response to a petition, waive provisions of this chapter. A waiver shall not be granted unless the director finds that special or emergency circumstances exist.

“*Special or emergency circumstances*” means one or more of the following:

1. Circumstances where the movement is necessary to cooperate with cities, counties, other state agencies or other states in response to a national or other disaster.
2. Circumstances where the movement is necessary to cooperate with national defense officials.
3. Circumstances where the movement is necessary to cooperate with public or private utilities in order to maintain their public services.
4. Circumstances where the movement is essential to ensure safety and protection of any person or property due to events such as, but not limited to, pollution of natural resources, a potential fire or an explosion.
5. Circumstances where weather or transportation problems create an undue hardship for citizens of the state of Iowa.
6. Circumstances where movement involves emergency-type vehicles.
7. Uncommon or extraordinary circumstances where the movement is essential to the existence of an Iowa business and the move may be accomplished without causing undue hazards to the safety of the traveling public or undue damage to private or public property.

524.2(3) Complaints. Complaints against motor carriers pertaining to the provisions of this chapter shall be submitted in writing to the office of motor carrier services.

761—524.3(325A) Applications and supporting documents.

524.3(1) *Application.* An application for a motor carrier permit or motor carrier certificate shall be made to the office of motor carrier services on a form prescribed for that purpose and furnished upon request.

524.3(2) *Application fee.* An application for a motor carrier permit or motor carrier certificate shall be accompanied by the statutory application fee. This fee shall be paid by cash, check or money order made payable to the Iowa Department of Transportation.

524.3(3) *Supporting documents.* An application for a motor carrier permit or motor carrier certificate must be accompanied by the following:

- a. Proof of insurance.
- b. Safety self-certification. (See rule 524.9(325A).)
- c. Form MCS 150, if the motor carrier does not have a U.S. DOT number.
- d. Financial statement, only for motor carriers of bulk liquid commodities (nondairy) and regular-route passengers. (See rule 524.10(325A).)
- e. Tariff, only for motor carriers of household goods.

761—524.4(325A) Issuance of credentials. When all requirements are met, the department shall issue the motor carrier permit or certificate. The motor carrier shall make a copy of the permit or certificate and carry it in each motor vehicle at all times. The permit or certificate shall be available for display to any peace officer upon request.

761—524.5(325A) Duplicate motor carrier permit or motor carrier certificate. Written requests for a duplicate motor carrier permit or motor carrier certificate shall be sent to the office of motor carrier services. Requests shall include the carrier name or U.S. DOT number. Any motor carrier in good standing shall be issued a duplicate document upon payment of the required fee.

761—524.6(325A) Amendment to a motor carrier permit or certificate.

524.6(1) *Update to a motor carrier permit.* To change the commodities being transported under a permit, an updated application must be submitted to the office of motor carrier services. The updated application shall include the permit number and the required fee for a duplicate permit. Transporting of commodities not listed on the permit shall not commence until a new permit or temporary permit has been issued and is carried in the vehicle.

524.6(2) *Change of name or address for a motor carrier permit or certificate.* Notification of a name or address change shall be sent to the office of motor carrier services within 30 days after the change. Notification shall include the permit or certificate number, old name or address, new name or address, and the required fee.

761—524.7(325A) Insurance—suspension.

524.7(1) *Insurance.* Each motor carrier shall at all times maintain on file with the department the effective certificate(s) of insurance or a surety bond on a form prescribed by the department.

- a. The insurance or the surety bond shall be written for a period of one year or more.
- b. The department shall be given written notice 30 days prior to the cancellation of the insurance or the surety bond.

524.7(2) *Self-insurance.* In lieu of maintaining the above insurance, intrastate carriers that also operate interstate and have been approved by a federal agency to self-insure may apply to the department to self-insure by submitting a written request to the office of motor carrier services. The written request shall include a copy of the federal agency's approval. The department shall allow self-insurance as long as a federal agency has approved the carrier to self-insure and the motor carrier provides the department with copies of any information required by that federal agency. The department must be notified immediately by the motor carrier if there is any change in the status of the self-insurance for interstate operation.

524.7(3) Suspension for no insurance. If a motor carrier fails to maintain the required insurance on file with the department, the department shall suspend the motor carrier's permit or certificate in accordance with Iowa Code chapter 325A and rule 524.17(325A). The suspension shall remain in effect until the requirements are met and a reinstatement fee is paid. A motor carrier shall not continue operation without proper insurance.

761—524.8(325A) Self-insurance for motor carriers of passengers.

524.8(1) Applications for self-insurance. A motor carrier of passengers with more than 25 motor vehicles may request self-insurance by submitting a written request to the office of motor carrier services. The written request shall include a copy of the most recent audited financial statement and a vehicle list.

524.8(2) Review by the department. The department may request additional information. The department shall deny the request to self-insure or suspend existing approval if the motor carrier fails to meet the self-insurance standard. Approval of self-insurance is continuous. However, the motor carrier shall annually file audited financial statements with the office of motor carrier services within 60 days after the end of the motor carrier's fiscal year.

524.8(3) Cancellation of self-insurance approval. The department may cancel approval of self-insurance on reasonable grounds. Reasonable grounds include, but are not limited to, the following: failure to pay a final judgment within 30 days or failure to file an annual, audited financial statement. The department shall give five days' notice to the motor carrier prior to any hearing to cancel approval of self-insurance.

761—524.9(325A) Safety self-certification. All motor carriers shall follow the safety regulations as stated in 761—Chapter 520 concerning operation, maintenance and inspection of vehicles used in the business. Motor carriers shall submit on a form prescribed by the department a self-certification stating knowledge, understanding and willingness to follow these safety regulations.

761—524.10(325A) Financial statement. An application by a motor carrier of bulk liquid commodities (nondairy) or regular-route passengers must include a statement signed by an authorized agent of a lending institution or a certified public accountant attesting to the financial capability of that carrier. At a minimum, the certification shall be based on meeting the following ratios:

Current Ratio: Minimum of 1.2:1

Current Assets

Current Liabilities = _____

Projected Operating Ratio: Maximum of 95

1. New Operation

(Use 5-Year Projection) $\frac{\text{Operating Expenses}}{\text{Operating Revenue}} \times 100 = \underline{\hspace{2cm}}$

2. Existing Operation Operating Revenue

(Use 1-Year Projection)

Working Capital Ratio: Minimum 12 days Capital

Current Assets Less Current Liabilities

Average Daily Operating Expenses = _____

761—524.11(325A) Safety education seminar.

524.11(1) Requirement. Motor carriers of bulk liquid commodities (nondairy) and passengers shall attend an approved safety education seminar within six months of issuance of the permit or certificate except as provided in subrule 524.11(4). This includes transfers of motor carrier certificates. The individuals in attendance shall be the persons responsible for the safety records and driver training. Failure to attend an approved safety education seminar within the time provided shall result in suspension of the motor carrier permit or certificate.

524.11(2) Availability. The department shall provide an approved safety education seminar periodically. Information on the seminar schedule shall be available from the Office of Motor Vehicle Enforcement, 100 Euclid Avenue, Des Moines, Iowa 50306-0473; telephone (800)925-6469.

524.11(3) Third-party safety education seminar approval. The office of motor vehicle enforcement shall approve the course curriculum before approving individuals outside the department to conduct safety education seminars. The course curriculum shall be submitted for approval to the office of motor vehicle enforcement. At a minimum, the safety course curriculum shall include the following information:

- a. Commercial driver's license regulations.
- b. A general overview of the U.S. DOT's motor carrier safety regulations and hazardous materials regulations which are adopted annually by the department.
- c. Iowa Code sections 321.449 and 321.450 and all associated administrative rules.
- d. Iowa Code section 321.463 and all associated administrative rules.
- e. Out-of-service criteria.
- f. A general overview of the U.S. DOT's Emergency Response Guide Book.

524.11(4) Exemption. Passenger carriers with vehicles not meeting the definition of a commercial vehicle as defined in Iowa Code section 321.1 are exempt from attending the safety education seminar and paying the seminar fee. A motor carrier certificate issued for such a carrier contains the statement: "limited to noncommercial vehicles only." If a motor carrier wishes to start operating vehicles that meet the definition of a commercial motor vehicle, the motor carrier must update its authority with the office of motor carrier services. A motor carrier must pay the seminar fee and attend the seminar within six months of updating the certificate. A new motor carrier certificate removing the limitation would then be issued.

761—524.12(325A) Marking of motor vehicles. "Motor vehicle" is defined in Iowa Code chapter 325A. Before placing any motor vehicle in service, the motor vehicle shall be clearly marked with letters and figures large enough to be easily read at a distance of 50 feet and in a color in contrast to the background. These markings shall be painted on each side of the motor vehicle or may consist of a removable device that meets identification and legibility requirements and is securely placed on each side of the motor vehicle.

524.12(1) Motor carriers operating intrastate only shall display:

- a. Name of motor carrier under whose authority the motor vehicle is being operated.
- b. U.S. DOT number followed by the letters "IA."

524.12(2) Motor carriers operating both interstate and intrastate shall display markings in accordance with 49 CFR Part 390.21, as adopted in 761—Chapter 520.

761—524.13(325A) Bills of lading or freight receipts.

524.13(1) Requirements. Every motor carrier operating under a motor carrier permit, except for those motor carriers transporting unprocessed agricultural and horticultural products and livestock, shall issue a bill of lading or receipt in triplicate on the date freight is received for shipment. The bill of lading or receipt shall show the following:

- a. Name of motor carrier.
- b. Date and place received.
- c. Name of consignor.
- d. Name of consignee.

- e. Destination.
- f. Description of shipment.
- g. Signature of motor carrier or agent issuing the bill of lading or receipt.
- h. Freight described in apparent good order unless an exception is noted.

524.13(2) Retention. There shall be one copy of the bill of lading or receipt for the consignor, one for the consignee and one to be kept by the motor carrier. The motor carrier's copy shall be carried with the cargo and shall show the total of all charges made for the movement of freight. The motor carrier shall keep the bill of lading or receipt for a period of not less than one year. At any reasonable time, the bill of lading or receipt is subject to inspection by the department's representatives.

761—524.14(325A) Lease of a vehicle.

524.14(1) Lease defined. "Lease," for the purpose of these rules, means a written document providing for the exclusive possession, control and responsibility over the operation of a vehicle by the lessee for a specific period of time as if the lessee were the owner. A copy of the lease must be carried in the leased vehicle at all times. No motor carrier may have more than one lease covering a specific vehicle in effect at a given time.

524.14(2) Lease of a vehicle to a shipper or a receiver. No motor carrier shall lease a vehicle with or without a driver to a shipper or a receiver.

524.14(3) Marking of a motor vehicle. Each lessee shall properly identify each motor vehicle during the period of the lease as specified in rule 524.12(325A).

524.14(4) Lease requirements. Any lease of a vehicle by any motor carrier except under the following conditions is prohibited:

- a. Every lease must be in writing and signed by the parties or their regular employees or agents duly authorized to act for them.
- b. Every lease shall specify the time that the lease begins and the time or circumstances on which it ends.

761—524.15(325A) Tariffs.

524.15(1) Requirements. All motor carriers of household goods shall maintain on file with the office of motor carrier services a tariff stating the rates and charges that apply for the services performed under the permit.

524.15(2) Printing. All tariffs and amendments or supplements must be in book, pamphlet or loose-leaf form. They must be plainly printed or reproduced. No alteration in writing or erasure shall be made in any tariff or supplement.

524.15(3) Filing date. All changes to tariffs and supplements must be filed with the office of motor carrier services at least seven days prior to the effective date. Tariffs, supplements or adoption notices issued in connection with applications for motor carriers of household goods may become effective on the date the permits are issued.

524.15(4) Copy to department. To file a tariff with the office of motor carrier services, motor carriers of household goods or their agents shall submit a transmittal letter listing all the enclosed tariffs and include one copy of each tariff, supplement or revised page.

524.15(5) Title page. The title page of every tariff and supplement shall include the following:

- a. Each tariff shall be numbered in the upper right-hand corner, beginning with number 1. The number shall be shown as follows: Ia. DOT No.

When a tariff is issued canceling a tariff previously filed, the Ia. DOT number that has been canceled must be shown in the right-hand corner under the Ia. DOT number of the new tariff.

- b. Supplements or changes to a tariff shall be numbered beginning with number 1, and this information shall be shown in the upper right-hand corner along with the number of any previous supplements canceled or changed by the supplement.

c. The name of each motor carrier of household goods must be the same as it appears on the permit. If the motor carrier of household goods is not a corporation and uses a trade name, the name of the individual or partners must precede the trade name.

d. Each tariff shall include a brief description of the territory or points from which and to which the tariff applies.

e. Each tariff shall contain the issue and effective dates.

f. Each tariff shall include the name, title and street address of the motor carrier of household goods or the agent by whom the tariff is issued.

524.15(6) Contents of tariff. Each tariff shall include the following:

a. A table of contents that is arranged alphabetically.

b. A complete index of all commodities including the page number. However, no index or table of contents is needed in tariffs of less than five pages or if the rates are alphabetically arranged by commodities.

c. An explanation of all abbreviations, symbols and reference marks used.

d. All rates in the tariff explicitly stated in cents or in dollars and cents per one hundred pounds, per mile, per hour, per ton or two thousand pounds, per truck load (of stated amount) or other definable measure. Where rates are stated in amounts per package or bundle, definite specifications of the packages or bundles must be shown and ambiguous terms, rates, descriptions or plans for determining charges shall not be accepted.

524.15(7) Duplication of rates. Motor carriers of household goods or their agents shall not publish duplicate or conflicting rates.

524.15(8) Tariff changes. All rates and charges which have been filed with the office of motor carrier services must be allowed to become effective and remain in effect for a period of at least seven days before being changed, canceled or withdrawn. All tariffs, supplements and revised pages shall indicate changes from the preceding issue by use of the following symbols:

(R) to denote reductions

(A) to denote increases

(C) to denote changes, the result of which is neither an increase nor a reduction.

The proper symbol must be shown directly in connection with each change.

524.15(9) Posting regulations. Each motor carrier of household goods must post and file at its principal place of business all of its tariffs and supplements. All tariffs must be kept available for public inspection.

524.15(10) Application for special permission. Motor carriers of household goods and agents when making application for permission to establish rates, charges, or rules of the tariff on less than the statutory seven days' notice shall use the form prescribed by the office of motor carrier services.

524.15(11) Powers of attorney and participation notices.

a. Whenever a motor carrier of household goods desires to give authority to an agent or to another motor carrier of household goods to issue and file tariffs and supplements in its stead, a power of attorney in the form prescribed by the department must be used.

b. The original power of attorney shall be filed with the office of motor carrier services and a copy sent to the agent or motor carrier of household goods on whose behalf the document was issued.

c. Whenever a motor carrier of household goods desires to cancel the authority granted an agent or another motor carrier of household goods by power of attorney, this may be done by a letter addressed to the department revoking the authority on 60 days' notice. For good cause, the department may authorize less than 60 days' notice. Copies of the notice must also be mailed to all interested parties by the motor carrier.

524.15(12) Nonconforming tariffs. The office of motor carrier services shall review tariffs that do not conform with subrules 524.15(1) to 524.15(11) to determine if they contain the necessary information and if they are acceptable. Tariffs that are unacceptable shall be returned with an explanation.

761—524.16(325A) Transfer of motor carrier regular-route passenger certificate or motor carrier permit for household goods. A motor carrier regular-route passenger certificate or motor carrier permit for household goods shall not be sold, transferred, leased, or assigned until the transaction is approved by the department. Motor carrier permits for other property and bulk liquid commodities are not transferable. Motor carrier certificates for charter operations are not transferable.

524.16(1) *Transfer application.* An application to transfer a motor carrier regular-route passenger certificate or motor carrier permit for household goods shall be submitted to the office of motor carrier services. The transfer application shall be signed and sworn to by the affected parties.

a. The transfer application shall contain the following:

(1) The name and address of the holder of the certificate or permit, the certificate or permit number and the authority granted.

(2) The name and address of the person proposing to take over or lease the certificate or permit.

(3) A statement as to whether the motor carrier proposes to purchase, transfer, lease, or assign the certificate or permit.

b. The transferee shall submit an application for a motor carrier permit or motor carrier certificate in compliance with rule 524.3(325A).

c. The transferee shall attend an approved safety education seminar in compliance with rule 524.11(325A).

d. The office of motor carrier services shall issue a new certificate or permit upon completion of the transfer and application process.

524.16(2) Reserved.

761—524.17(325A) Suspension, revocation or reinstatement. The department may suspend or revoke a motor carrier permit or certificate for a violation of Iowa Code chapter 325A or this chapter. The suspension or revocation shall continue until the motor carrier is no longer in violation and the reinstatement fee is paid. A new permit or certificate shall be issued upon reinstatement.

761—524.18(325A) Hearings. A person whose application for a motor carrier permit or certificate has been denied for a reason other than noncompliance with insurance requirements or whose motor carrier permit or certificate has been suspended or revoked for a reason other than noncompliance with insurance requirements may contest the decision in accordance with Iowa Code chapter 17A and 761—Chapter 13, Iowa Administrative Code. The request for a hearing shall be submitted in writing to the director of the office of motor carrier services. The request shall include, as applicable, the motor carrier's name, permit or certificate number, complete address and telephone number. The request must be submitted within 20 days after the date of the notice of suspension, revocation or denial.

These rules are intended to implement Iowa Code chapter 325A.

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CHAPTER 525

MOTOR CARRIERS AND CHARTER CARRIERS

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CHAPTERS 526 and 527

Reserved

CHAPTER 528

LIQUID TRANSPORT CARRIERS

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